

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6648

BILL NUMBER: HB 1266

NOTE PREPARED: Dec 27, 2011

BILL AMENDED:

SUBJECT: Early Probationary Licenses for Good Students.

FIRST AUTHOR: Rep. Ubelhor

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill has the following provisions:

(1) Provides that an individual may apply for an operator's license and an accompanying motorcycle endorsement as early as:

(a) the age of 16 and 30 days; or

(b) before the date that the individual is 16 years and 180 days of age if the individual has achieved at least a "B" average in school in the semester or trimester the individual completed:

(I) prior to the date of the applicant's sixteenth birthday; or

(II) in the period between the applicant's sixteenth birthday and 179 days after the sixteenth birthday of the applicant; and has satisfactorily completed an approved driver education course.

(2) Makes technical corrections.

(Current law provides that an individual must be at least 16 years and 180 days of age to apply for an operator's license.)

Effective Date: July 1, 2012.

Explanation of State Expenditures: This bill will increase the workload of the Bureau of Motor Vehicles (BMV) Commission to verify the transcripts of students who apply to receive their operator's permit at 16 years and 30 days of age. Actual increases in workload are unknown.

This bill will result in a redistribution of workload for local BMV branches to process an increase of

approximately 4,750 requests for operator licenses following the effective date of this bill (during FY 2013). Changes in workload should be able to be processed with existing staff at local BMV branches.

This estimate assumes (1) 25% of all operator license applicants will have at least a “B” average prior to their 16th birthday or between the applicant’s 16th birthday and the 179 days following this birthday and (2) that all individuals who qualify for the early probationary operator’s license for good students (and meet all other requirements for an operator’s license contained in the bill) will immediately request a learner permit upon the bill’s effective date.

Additional Information: The BMV reports that between FY 2006 and FY 2011, an average of approximately 46,000 16-year-olds applied for their operator’s license annually. BMV processes approximately 3,800 requests for operator’s licenses from 16-year-olds per month. The number of students who currently maintain a “B” average in schools accredited by the Department of Education (DOE) is unknown. However, assuming at least 25% of all high school students maintain a “B” average or higher, it is assumed that 25% of the 19,000 applicants, or 4,750 applicants, would be eligible to apply for their operator’s permit early.

Explanation of State Revenues: The bill allows individuals who are at least 16 years and 30 days of age to apply for an operator’s permit provided they have a “B” average in public or nonpublic secondary school accredited by the DOE as well as meet other requirements currently set forth for minors applying for operator licenses.

This bill will allow students, who otherwise would have first been eligible for an operator’s license at 16 years and 180 days of age, to first apply for their operator’s license 150 days before what is currently permitted by law. To this extent, there will be large number of requests for operator’s license when the bill takes effect (July 1, 2012). As a result, the state will receive an increase in revenue from operator’s licenses at the beginning of FY 2013 that otherwise would have been received more evenly throughout the fiscal year. Only FY 2013 is expected to see a *net increase* in revenue as a result of this bill. The estimated increase in revenue from fees for driver’s licenses for FY 2013 is expected to be \$99,750.

The fee for a driver’s license is \$21. Actual increases in revenue are not known but will depend on (1) the total number of individuals who would be eligible to receive a driver’s license at 16 years and 30 days of age, and (2) the actual number of individuals who apply to receive their driver’s license at 16 years and 30 days of age.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: BMV.

Local Agencies Affected:

Information Sources: Elizabeth Murphy, BMV.

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